



# Public Service Commission of Wisconsin

Daniel R. Ebert, Chairperson  
Robert M. Garvin, Commissioner  
Mark Meyer, Commissioner

610 North Whitney Way  
P.O. Box 7854  
Madison, WI 53707-7854

December 1, 2005

TO: Telecommunication Providers in Wisconsin

RE: Assessments for Wisconsin's Universal Service Fund:  
PSC Programs

The universal service fund (USF) assessment forwarded with this letter is for obligations of telecommunication providers in this state to fund programs specifically established by the Wisconsin legislature. As specified in Wis. Stat. §§ 196.218(5)(a)1., 2., 4., 8., and 9. and Wis. Admin. Code § PSC 160.05(1), the USF may be used to fund the Public Service Commission (PSC) USF programs.

At its November 23, 2005, open meeting, the PSC determined a new assessment rate for the PSC USF programs.<sup>1</sup> The monthly USF assessment rate for these programs is based on the legislative appropriations for the programs, and reflects updated gross intrastate operating revenues as reported to the PSC by the telecommunications providers. The billing enclosed with this letter reflects the new assessment rate for the PSC USF programs. **The monthly assessment rate for the PSC USF programs, applied to annual revenues, is .02534 percent.**

For all USF assessments, the following statutory provision is in effect for all providers:

**196.218(3)(e)** Except as provided in par. (f) and s. 196.196(2)(d), a telecommunications provider or other person may not establish a surcharge on customers' bills to collect from customers contributions required under this subsection.

The exception noted for par. (f) relates to surcharges and itemization of certain charges as discussed below.

The assessment you have received for the PSC USF programs covers two programs, the Telemedicine grant program and Newline for the Blind, which are subject to special rate-recovery treatment for telecommunications utilities that provide local exchange service. All telecommunications providers that are assessed for the Wisconsin USF received a September 21, 2005 letter from me that described the statutory change that was passed in the

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<sup>1</sup> Also at its November 23, 2005, meeting, the Commission revised the monthly assessment rates for the TEACH, UW-System, and DPI programs for BadgerLink, and state aid to public libraries. The TEACH, UW-System, and DPI BadgerLink and library aid programs will continue to be billed separately from the PSC USF programs, and you will receive a separate letter about those assessments.

recent state budget bill. The change **requires** local exchange service providers, who have adjusted rates (or in the future adjust rates) to recover certain state USF assessments, to specifically identify that adjustment on customers' bills. The applicable statute is as follows:

**196.218(3)(f)** Notwithstanding ss. 196.196(1) and (5)(d)2., 196.20(2m), (5) and (6), 196.213 and 196.215, a telecommunications utility that provides local exchange service may make adjustments to local exchange service rates for the purpose of recovering the portion of its contributions to the universal service fund that is determined by the commission under par. (a) 4. A telecommunications utility that adjusts local exchange service rates for the purpose of recovering all or any amount of that portion **shall identify** on customer bills a single amount that is the total amount of the adjustment. The public service commission shall provide telecommunications utilities the information necessary to identify such amounts on customer bills. (Emphasis added.)

For the PSC USF programs, this identification on the bill is only applicable to the Telemedicine (Wis. Stat. § 196.218(4u)) and the Newline for the Blind (Wis. Stat. § 196.218(5)(a)8.) programs. The reference to par. (a) 4. is primarily to the TEACH, UW-System, and DPI BadgerLink and library aid USF assessments. The PSC website provides detailed information on the assessed dollars that are recoverable by these statutory changes at:

<http://psc.wi.gov/utilityinfo/tele/usf/usfAssessments.htm>. Payment for the PSC USF assessment is to a discrete bank account. Please make out checks and send as instructed on the billing.

Thank you for your prompt remittance of billed assessment amounts and for your cooperation in making universal service programs a success in Wisconsin. Questions on invoices or payments may be directed to: Wipfli LLP, at numbers shown on the bill. Other questions on the PSC USF assessment may be directed to me at: (608) 266-3843 or at: [anita.sprenger@psc.state.wi.us](mailto:anita.sprenger@psc.state.wi.us).

Sincerely,

/s/ *Anita C. Sprenger*

Anita C. Sprenger  
Manager  
Universal Service Fund